

Message Text

LIMITED OFFICIAL USE

PAGE 01 HONG K 10592 240447Z

15

ACTION EB-11

INFO OCT-01 EA-11 ISO-00 CIAE-00 COME-00 INR-10 LAB-06

NSAE-00 PA-04 RSC-01 SIL-01 USIA-15 PRS-01 NSC-10

DODE-00 SPC-03 NIC-01 DRC-01 /076 W

----- 060524

R 200115Z OCT 73

FM AMCONSUL HONG KONG

TO SECSTATE WASHDC 8506

INFO AMEMBASSY TAIPEI

AMEMBASSY TOKYO

USLO PEKING

LIMITED OFFICIAL USE HONG KONG 10592

E.O. 11652: N/A

TAGS: ETRD CH

SUBJECT: CANTON FAIR OFFICIAL COMMENTS ON THE FAIR AND

PRC FOREIGN TRADE

REF: HK 10591

SUMMARY: FOLLOWING THE OPENING OF THIS FALL'S CANTON TRADE FAIR OCT. 15, A FAIR OFFICIAL HAS ESTIMATED U.S. ATTENDANCE WILL BE ABOUT THE SAME LEVEL AS THE 1973 SPRING FAIR. CHINESE PRICES HAD BEEN RAISED SUBSTANTIALLY LAST SPRING AND WOULD NOW STAY AT WORLD MARKET LEVELS. THE PURCHASE OF COMPLETE INDUSTRIAL PLANTS ON DEFERRED PAYMENTS (CREDITS) WAS NOT A NEW DEPARTURE BUT A CONTINUATION OF NORMAL CHINESE TRADING PRACTICE. END SUMMARY

1. SUN FANG, DEPUTY SECRETARY GENERAL OF THE CANTON TRADE FAIR, MADE THE FOLLOWING POINTS IN PRIVATE INTERVIEWS WITH TWO AMERICAN REPORTERS FOLLOWING THE OPENING OF THE FAIR ON OCT. 15 (REFTEL. FANG IS ALSO A DEPUTY CHAIRMAN OF THE CHINA COUNCIL FOR THE PROMOTION OF INTERNATIONAL TRADE.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 HONG K 10592 240447Z

2. U.S. PARTICIPATION -- IN GENERAL ABOUT THE SAME NUMBER OF U.S. BUSINESSMEN WOULD ATTEND THIS FAIR AS PARTICIPATED IN THE 1973 SPRING FAIR. THERE WERE, HOWEVER, MORE AMERICAN BUSINESSMEN PRESENT FOR THE OPENING DAY OF THE FAIR THAN THERE HAD BEEN IN THE SPRING. (WE ESTIMATE THAT 150 AMERICANS REPRESENTING APPROXIMATELY 100 FIRMS ATTENDED THE SPRING FAIR; HK A-201, A-221).

3. PRICES -- THE MAJOR ADJUSTMENT WHICH BROUGHT CHINESE PRICES UP TO WORLD MARKET LEVELS WAS MADE AT THE SPRING FAIR. THE REASON FOR THE CHANGE WAS PARTLY THAT CHINA HAD TO PAY MORE FOR ITS IMPORTS AND PARTLY THAT WORLD MARKET PRICES WERE UP. AT THIS FAIR RELATIVELY SMALLER ADJUSTMENTS WOULD BE MADE IN ORDER TO STAY WITH THE WORLD MARKET. CHINESE PRICES WILL NOW GENERALLY FOLLOW WORLD MARKET LEVELS.

4. FOREIGN TRADE -- THE RECENT EXPANSION IN CHINA'S FOREIGN TRADE DOES NOT MEAN THAT THE PRC HAS GIVEN UP ITS IDEALS OF INDEPENDENCE AND SELF RELIANCE. FOREIGN TRADE IS A SUBSIDIARY OF THESE IDEALS. CHINA WILL CONTINUE TO BUY EQUIPMENT AND TECHNOLOGY BUT NOT AT THE EXPENSE OF SELF RELIANCE. THE RECENT LARGE SCALE PURCHASES OF COMPLETE INDUSTRIAL PLANTS ON DEFERRED PAYMENTS (CREDITS) IS NOT A DEPARTURE FROM PAST POLICY BUT THE CONTINUATION OF NORMAL CHINESE TRADING PRACTICE.

5. THIS INFORMATION WAS PROVIDED BY THE REPORTERS TO USG OFFS AT THE FAIR ON THE UNDERSTANDING IT WOULD BE HELD WITHIN THE USG PRIOR TO PUBLICATION.

DEAN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 20 OCT 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973HONGK10592
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: HONG KONG
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19731019/aaaaaoaw.tel
Line Count: 91
Locator: TEXT ON-LINE
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: HK 10591
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 28 AUG 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <28-Aug-2001 by boyleja>; APPROVED <18-Dec-2001 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CANTON FAIR OFFICIAL COMMENTS ON THE FAIR AND PRC FOREIGN TRADE
TAGS: ETRD, CH
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005